



# INTERNATIONAL EGG AND POULTRY REVIEW

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U.S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

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## Indonesia

The broiler population in Indonesia is estimated to increase to 889 million birds in 2007 compared to 840 million in 2006. The broiler population is forecast to increase again in 2008 to about 899 million birds. Even as avian influenza (AI) continues to be a problem in Indonesia, consumer consumption of poultry meat remains strong. Indonesia's per capita consumption of broiler meat is expected to reach 3.7 kg/capita/year in 2007. Even though per capita consumption is low it is expected to continue to grow.

### Production

The growth in overall broiler population that is expected in 2007 and 2008 is a sign of progress in Indonesia's broiler industry. However, the increasing demand is expected to be offset by the increasing price of feed ingredients and slower growth in consumer purchasing power. Broiler meat production in 2007 is estimated to increase to 824,000 tons despite the input cost problems. The Indonesian government has continued to campaign the safe preparation of poultry and eggs in order to reduce the negative impact on broiler meat consumption that occurs when outbreaks of AI are reported within the country.

Poultry feed production in Indonesia is expected to rise in 2007 to a total of 6.5 million tons and is estimated to increase again in 2008 to a total of 7.1 million tons. The majority of Indonesia's feed ingredients are imported and due to high international feed prices the feed sector in Indonesia is trying to convince the government to lift its five percent import duty for corn. The government is reluctant to lift the duty because of fears that it will negatively affect corn farmers within the country.

Due to a low per capita consumption and high increases in consumer confidence there is large potential for increased growth for broiler production in Indonesia in the future. That growth will be slowed by the cost of imported feed ingredients, AI outbreaks and concerns, limited cold storage, low consumer purchasing power, and inconsistent government policy.

### AI Situation

AI continues to be a problem for the poultry industry in Indonesia. Consumers are also concerned about the AI affect on the human population within the country. There have been a total of 350 AI outbreaks in 31 out of 33 provinces in Indonesia. There have also been 106 human cases of H5N1 reported in 11 provinces. Of the 106 reported human cases, 85 were fatal. In order to try to limit the spread of the disease many limits have been put on the raising and transportation practices in the areas with the heaviest number of reported cases. The government is also trying to move poultry collecting and slaughtering facilities outside of the areas that are infected with AI. Due to the high costs of these policies, the poultry sector has continued to resist them. The Indonesian government has also started issuing certificates to poultry farms that are AI free for more than six months. The certificate ensures the customers that the farm is free of AI and provides security to the farm if a problem with their meat is ever found.

### Consumption

Despite outbreaks of AI consumers are continuing to consume broiler meat and eggs. Broiler meat consumption is estimated to increase in 2007 to a total of 824,000 tons and is estimated to remain stable in 2008.

## Trade

Imports of Indonesian poultry meat in 2006 were at 3,331 tons. Most of the meat came from Singapore and European Countries.

### Indonesian Broiler Meat Imports

(In Metric Tons)

<u>Country</u>	<u>2006</u>	<u>2007</u>
U.S.	0	0
Singapore	2728	1319
Brazil	0	753
France	269	229
Swaziland	158	0
Netherlands	75	24
Switzerland	56	0
Sweden	43	0
Other	2	0
Total	3331	2325

## Venezuela

Consumer demand in Venezuela has shown a significant increase, which has been a driving factor for the poultry industry. Poultry production is expected to continue to increase but is not expected to be able to meet demand. The Government imports poultry and fresh eggs from Brazil.

### Production

Venezuela's poultry industry continues to increase production despite governmental price control policies and increased imports from Brazil. In 2007 poultry production is estimated to be about 820,000 metric tons. In 2008 production is estimated to increase by 5 percent to about 860,000 metric tons. Production increases are driven by improved demand and increased consumer disposable income. Demand is expected to continue to increase due to higher beef prices, caused by a smaller here, and lower poultry prices as compared to other protein sources.

The poultry industry's growth in Venezuela is meeting some resistance due to the governmental price controls that do not allow producers to raise prices along with costs. Production costs also continue to rise which can include labor, imported inputs such as feed, and transportation and marketing costs.

### Consumption

Poultry consumption in Venezuela is expected to increase in 2007 and 2008. The annual per capita consumption of poultry in Venezuela is estimated at 35 kilograms.

### Venezuela's Poultry and Egg Consumption

(In KG/Per Capita or number)

<u>Year</u>	<u>Poultry Meat</u>	<u>Eggs</u>
2000	24.20	98.50
2001	27.10	111.04
2002	30.32	130.98
2003	23.46	116.13
2004	29.00	112.00
2005	31.00	130.00
2006	33.00	133.00
2007	35.00	135.00

(2007 is an estimate)

Source: USDA/FAS

**INSPECTED EGG PRODUCTS-****U.S. & CANADA IMPORT/EXPORT TRADE****U.S. Exports to Canada, in Pounds (000) (Preliminary)**

Week Ending November 24, 2007		Year-To-Date		
Type	2007	2006 /1	2007 /2	2006
Liquid	0	250	3,277	11,081
Frozen	0	0	71	172
Dried	0	37	753	737
Total	0	287	4,101	11,990

**U.S. Imports From Canada, in Pounds (000) (Preliminary)**

Week Ending November 24, 2007		Year-To-Date		
Type	2007	2006 /1	2007 /2	2006
Liquid	268	397	14,537	4,998
Frozen	0	3	294	906
Dried	0	0	857	66
Total	268	400	15,688	5,970

**Inspected Shell Eggs****U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

Week Ending November 24, 2007		Year-To-Date		
	2007	2006 /1	2007 /2	2006
Jumbo	0	0	0	150
Ex Large	750	2,130	55,965	83,301
Large	1,610	3,155	93,182	160,875
Medium	0	599	59,009	80,990
Ungraded	9,060	10,900	206,728	229,398
Misc	0	0	7,849	6,975
Total	11,420	16,784	422,733	561,689

/1 Comparable Week, to-date figures may not total due to rounding.

/2 Includes revisions to previous week(s)

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

Source: USDA AMS Poultry Programs, Market News &amp; Analysis

**U.S./Canadian Live Poultry Slaughtered Under Inspection**

Week Ending November 24, 2007 (Preliminary)

**U.S. fowl slaughtered domestically**

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	575	978	1,553
Last Week	1,274	1,562	2,836
Same week yr ago	560	921	1,481
To-date/2007	51,434	68,796	120,230
To-date/2006	50,451	69,818	120,269

**U.S. fowl slaughtered in Canada**

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	263	0	263
Last Week	338	0	338
Same week yr ago	185	4	189
To-date/2007	12,193	36	12,229
To-date/2006	7,108	53	7,161

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

**Total U.S. fowl slaughtered in the U.S. and Canada**

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	838	978	1,816
Last Week	1,612	1,562	3,174
Same week yr ago	745	925	1,670
To-date/2007	63,627	68,832	132,459
To-date/2006	57,559	69,871	127,430

Source: USDA AMS Poultry Programs, Market News &amp; Analysis Branch

**On January 4, 2008 - The Central and Eastern Region MSC reports will be combined into the new National Mechanically Separated Chicken report and will no longer be available as a separate report. Until then, the new National MSC report will run concurrently and may be viewed at: <http://www.ams.usda.gov/poultry/mncs/PDF%20Reports/MSC/msc.htm>**

**MECHANICALLY SEPARATED CHICKEN** PRICES NEGOTIATED, FOB SHIPPER DOCK OR EQUIVALENT, IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

**CENTRAL REGION**

November 30, 2007

**CHICKEN WITH SKIN ADDED**

FAT CONTENT	---- PRICES ----		---- VOLUME ----	
	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	16.50-18.00	16.00	405,600	324,000
WTD AVERAGE	17.75	16.00		
15-20%				
RANGE	17.50-22.00	11.00-15.00	2,032,800	870,000
WTD AVERAGE	19.44	11.84		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

\* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

**EASTERN REGION**

November 30, 2007

**CHICKEN WITH SKIN ADDED**

FAT CONTENT	---- PRICES ----		---- VOLUME ----	
	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	15.75	15.00-16.00	458,000	218,000
WTD AVERAGE	15.75	15.33		
15-20%				
RANGE	16.00-21.00	11.00-16.00	3,034,000	1,892,000
WTD AVERAGE	17.92	13.34		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

\* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

**NATIONAL YOUNG TURKEY PARTS**, INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 30 NOVEMBER 2007.

The market tone on white meat was steady to instances weak. Some price resistance was being noted on fresh tom breast meat with a few processors choosing to freeze product for 2008 needs instead of selling at current price levels. Price resistance from sellers was also starting to be noted on frozen scapula. Demand light to moderate with instances of increased interest on fresh items. Offerings mixed and held with varied degrees of confidence. Trading was active on tom drums for export, balance slow to instances moderate. For domestic: fresh scapula 89, Grade A non-basted 8-10 lb. breasts 150 and 12-16 lb. 190 cents delivered. Distressed mixed defatted gizzards traded at 68 cents shipping point for export.

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>	<b>WEEKLY</b>	<b>WEEKLY</b>
<b>FRIDAY, NOVEMBER 30, 2007</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>	<b>WTD AVG</b>	<b>VOLUME</b>
DRUMSTICKS, TOMS	60.00		60.00	520	59.39	848
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM						
TAILS		T	27.00	156	27.00	156
MECHANICALLY SEPARATED 2/	17.00		17.00	40	16.60	200
THIGH MEAT - FROZEN	96.00		96.00	40	96.19	212
<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>		
<b>THURSDAY, NOVEMBER 29, 2007</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>		
DRUMSTICKS, TOMS	58.00		58.00	208		
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM						
TAILS		T	27.00	156		
MECHANICALLY SEPARATED 2/	16.00		16.00	80		
THIGH MEAT - FROZEN	96.00-97.00		96.33	120		
<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>		
<b>WEDNESDAY, NOVEMBER 28, 2007</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>		
DRUMSTICKS, TOMS		T	59.17	120		
WINGS FULL-CUT - TOMS		W	45.56	256		
WINGS, V-TYPE, TOM						
TAILS		T	27.00	156		
MECHANICALLY SEPARATED 2/		T	17.00	80		
THIGH MEAT - FROZEN	96.00		96.00	52		
<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>		
<b>TUESDAY, NOVEMBER 27, 2007</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>		
DRUMSTICKS, TOMS	58.50-60.00		59.17	120		
WINGS FULL-CUT - TOMS		W	45.56	256		
WINGS, V-TYPE, TOM						
TAILS	27.00		27.00	156		
MECHANICALLY SEPARATED 2/	17.00		17.00	80		
THIGH MEAT - FROZEN		W	97.00	260		
<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>		
<b>MONDAY, NOVEMBER 26, 2007</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>		
DRUMSTICKS, TOMS		F	57.50	80		
WINGS FULL-CUT - TOMS		W	45.56	256		
WINGS, V-TYPE, TOM						
TAILS		W	27.50	40		
MECHANICALLY SEPARATED 2/						
THIGH MEAT - FROZEN		W	97.00	260		

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15/20% fat with skin added.